

**January 6, 2004**  
**STATE OF THE CITY**

**(UPON WHICH A PRESENTATION IS BASED)**

Good evening my friends. On behalf of myself and the City Council, I welcome you to our State of the City address. It is not by accident that we gather at this site tonight. Symbolically, our congregating here speaks volumes as to how the city of Las Vegas is defining itself as a result of the leadership of my council and city staff's aggressive efforts to effectuate the vision and missions, which have been entrusted to them.

About four years ago, having been the mayor for some five months, I learned that the city's quality of life was, compared to other cities, vibrant, affordable and safe, due to the care of the councilpersons who carefully shepherded their respective wards. At the same time, however, I became fearful that the quality of life, which we so enjoy, was endangered as a result of the proliferation of gaming competition that could affect our economic well-being. There are 48 out of 50 states that have legalized gaming. Both Internet and Indian gaming take untold amounts of dollars from us, without any tax benefit. The most serious threat, Indian gaming, provides an alternative to our prospective guests from visiting us to spend their dollars at the "Entertainment Capital of the World." I did not want us to have to undergo the near death experience our sister city of Reno suffered, when casinos closed as a result of losing its clientele to the competing reservation casinos in California.

I recognized that, as a matter of course, the projects and activities delineated in this evening's program would continue because of the devotion and commitment of the council to assure our constituents effective and efficient service. Look at what has been accomplished just this past year. The tip of the iceberg would evidence pride in the council doing their jobs well.

In seriatim I would note in Ward 1, Councilwoman Janet Moncrief's opening of the Howard Leburn Senior Center, and commitment to caring for her mature ward to maintain the value and beauty of its neighborhoods and her interest in the Arts District.

Ward 2's Councilwoman Lynette Boggs McDonald takes pride in assuring our city employees, who have served in the military, are paid the difference in what their military pay is compared to their salaries with the city. She spearheaded us into being the first municipal entity to be this progressive. She also did us proud by her service as the president of the Nevada League of Cities during this past year, she was vigilant about legislation that could have adversely affected us.

Ward 3's Mayor Pro Tem Gary Reese beams with pride at the reconstruction of Huntridge Circle Park, which was designed by its neighbors. He saw the opening of the East Las Vegas Community Senior Center, where we held the State of the City address last year. Gary has been a great partner as the mayor pro tem.

Larry Brown, Ward 4's councilman, keeps his eye on our budget, opens golf courses like Durango Hills and city parks, which are a public-private partnership that is to the city's

economic advantage. His ward was hit hard by our 100-year flood, but thanks to the city management and staff's participation at the Federal Emergency Management facility in Emmitsburg, Maryland, 70 Las Vegans were trained to act as an integral team at times of disasters. We were able to use our experience there as a textbook a week after we returned and faced a 100-year flood. Although there was substantial property damage, not one of our citizens suffered injury – remarkable!

Ward 5's Councilman Lawrence Weekly has worked diligently to assure economic well-being in his ward. He was instrumental in encouraging projects such as this mall to find a home in the downtown, and other developments, which I will touch upon later this evening. Lawrence wanted me to remind you, that if you become bored, you can always leave and shop for a bargain. Seriously though, he has encouraged and succeeded in redeveloping his ward with residential complexes like the City Center apartments, recreational components like Ed Fountain Park and Doolittle Community Center and has been a proponent of the fine education available at the Andre Agassi Preparatory Academy.

Councilman Michael Mack, representing the ever-expanding Ward 6, has carefully monitored the growth in Town Center, opened the first phase of Centennial Hills Park and was instrumental in the public-public agreement known as the inter-local with Clark County that helps preserve the integrity of his ward by eliminating inconsistent zoning and nonconforming land uses. He is presently planning an ecologically, cutting-edge community in the Kyle Canyon area that will assure a desirous quality of life in that part of the valley in the coming years.

While the councilmen and women are doing their jobs, the city staff has been winning awards and has been recognized by national associations as a proactive, progressive municipal government, which achievements are more particularly described in your program.

Even with all of these accomplishments, the likes of which have taken place during my terms in office, we realized that it was not enough; that the economic well-being of our city demanded something in addition to the wonderful works, which were taking place. The council bought into the concept that there had to be a renaissance or a revitalization of our inner core in order to assure the vibrancy needed to protect our economic well-being, for without that, the marvelous lifestyle we enjoy, the services we provide, the public safety commitment we have undertaken, could come to a screeching halt.

We were advised by preeminent developers of inner cities that we did not have what it would take to achieve a successful redevelopment project---land. Although there were in-fill pieces in the urban core, they were not large enough to make the dent necessary to achieve the desired result, which the council believed was necessary to create a downtown that would be the very heart and soul of southern Nevada. With the energy that was directed toward such vision, where the downtown would be a place where people work and play and live, we entered into negotiations, and ultimately a trade, with Lehman Brothers who owned 61 acres on a Brownfield site that was part of the Union Pacific rail site.

A parcel of land in the center of the city, which had been remediated and could be acquired without the use of eminent domain--a process that could have taken years to achieve.

We traded land in our Technology Park for the acreage and were thus able to begin the realization of the renaissance. We referred to our newly acquired acreage as the “Jewel of the Desert!”

During my first year and a half in office, there was no desire for any developers to get involved with the Brownfield property. It sat fallow for all the years I have lived here. Wherever I went I engaged in incessant rhetoric about the “Jewel of the Desert.” Some inquiries began to be made by the media: “What is this Jewel of the Desert?” and soon front-page stories were written in the *Sunday New York Times*, then the *L.A. Times* and soon thereafter it became the center of attention in the cover story of *U.S. News and World Report*.

The phones at City Hall began to ring. The site sparked interest. Deals were explored that were creative. Tax-increment financing was the answer, where assuming \$100,000 in taxes is owed to the city, 18% of which by statute goes to affordable housing, and the balance of which we agreed would be split, with the city receiving \$41,000 and the developer \$41,000, which must go back into the project’s infrastructure. Thus, creating a win-win for the city. We assisted with permitting and processing and before you knew it the Union Pacific property, which encircled the city’s “Jewel of the Desert,” was being sold; first to the World Market group that has cleared the ground and has commenced building a furniture locale that will cause a diversification of our economy overnight; then came Chelsea Properties---130 premium discount stores at this very site, where the only complaint has been there is not enough parking. It has been a success from day one, and its annual sales have been reported to generate \$11 million in sales tax revenue.

Before the renaissance began, we received nothing. I’ve never been a fan of the IRS, but a private developer, Irwin Molasky, has commenced the building of a new center for them, and unlike the U.S. Court House on Las Vegas Boulevard, which is owned by the government (and although an iconic facility which created the architectural bar for the city) we receive no taxes from it. Because the IRS will be a tenant of the developer, we will be able to receive substantial tax revenue from them. Mark Fine, a developer who five years ago scoffed at any suggestion of downtown redevelopment, has become a true believer and has entered into an escrow of \$4.5 million for a site next to us to build a mixed-use project.

The trick of a successful development will be the melding of the new, or west side of the railroad tracks, with the old, or east side of the tracks. On the established area where the Fremont Street Experience sits, the revitalization process has surely begun, with the old-timers, who for all intents and purposes were slow to join in the process, have been replaced by energetic entrepreneurs who really believe in the reinvention of the downtown, Don Barden of Fitzgeralds, Terry Caudill at the Four Queens, the Barrick Group who are in the process of acquiring the Gaughan properties, Bob O’Neil and Keith Grossman with the Lady Luck and the new owners of the Golden Nugget, Tim Poster and Tom Breitling whose licensing will be approved tomorrow. Old timers like Don Snyder and the Boyd Group have felt the energy and continue to partner with the city to accomplish our dreams. A new director of the Fremont Street Experience, Joe Schillaci, is energized and the light show under the canopy is going to be more world-class than it presently is. New blood, new money, new energy, more excitement.

The Entertainment District is taking shape. Three really qualified groups are trying to develop the old fingerprint building at Seventh Street and Fremont. The plans of each entry are phenomenal and I personally believe with all of these commitments to downtown destination venues, Neonopolis will become a beneficiary and the wonderful eateries like La Salsa, The Saloon and Jillian's will have neighbors whose businesses will also be successful.

I have a personal commitment from the folks at Hogs & Heifers that they will have a downtown presence, either in the Entertainment District or close to City Hall. Either way, as a betting man, I make them a favorite to be the first place visitors will want to come to when they arrive here. The tavern for which Coyote Ugly became famous will create the same kind of success as it did in New York City where single-handedly it made the meatpacking district a resounding success overnight.

And it will be easy to get to since the monorail will be started with the downtown locales of Main, Charleston, Bonneville and Fremont being the primary stops. The environmental impact study just came in and the monorail is on its way.

A "travelogue" is appropriate at this point: Residential apartments have been built with the City Center apartments at 821 Bridger; after four-and-a-half years of negotiations with the Tom Hom group of San Diego, ground has been broken for 51 architecturally world-class garden apartments at Las Vegas Boulevard and Cass Avenue. Across the street, loft apartments are being presold and properties are being acquired for residential development throughout our central core. Law offices continue to be built. Four years ago the legal community was moving to the suburbs, now substantial economic commitments are being made in the downtown.

The Arts District is an exciting work in progress. For years the Arts Factory struggled by itself. Now it is the keystone for creative activity in the downtown. The S2 building houses the commitment Jack and Carolyn Solomon made when they moved their world-class lithography studio from New York's SoHo, to Main Street and Charleston Boulevard. Tinoco's Bistro has its new home in the Arts Factory. First Friday has become the thing to do and the place to be on the first Friday of each month, with antique stores, art studios, local bars and eateries being opened and thousands of locals bonding together and forming a real community, an Arts District.

Property is being bought by those whose vision meets that of the city's---a burgeoning neighborhood where creative, intellectually inspired folks would like to live, play and work. Across the street on Charleston, the classic Holsum Bakery has been purchased and live-work studio lofts will abound amongst galleries and shops and cafes. It will be the coolest place to be. Like the Ice House, which has been successful since day one, opening to everyone's amazement with a five-and-a-half million-dollar investment on Main Street, a little south of Bonneville. Nobody would have thought it, but it's real and it's an integral part of the spirit of what we want to accomplish there. This energy has sparked a spillover effect as well, with old standbys like The El Sombrero and Casa Don Juan on Main Street and Dona Maria's on the Boulevard being patronized like in the old days.

With the construction of Metro's new Downtown Area Command Center at the northwest corner of Ninth Street and Bonanza, the architecturally elegant Fifth Street Elementary School

will be converted to an “agora” or marketplace of ideas. Together with boutiques, shops and cafes, there will be an intellectual component that will have the world look differently at us than ever before, which is also a commitment of this council to not only continue to be the entertainment destination, but also to become a place where our constituents can take pride in our communal accomplishments.

Tonight I have the pleasure of making the major announcement, the North American Cities of Asylum Network will be based in Las Vegas and will be headquartered along with the International Institute of Modern Letters at the Fifth Street Elementary School building. This is critically important to our development as a world-class city. Many of the world’s most gifted and prestigious writers are associated with these programs. Among them Nobel Laureates Wole Soyinka and Toni Morrison, Mac Arthur award-winning Dave Hickey, Pulitzer Prize winners A. Scott Berg, Jane Smiley and many others. By placing the headquarters for writers in need here in our city, in our downtown, we are making an international statement, that we as a city believe in the most unique of American rights: the freedom of speech and by extension, the freedom to write. We live in a world where censorship and tyranny are more the norm than the exception. Our entire community should feel very gratified that Las Vegas will now be the epicenter of that cause.

What haven’t I spoken about yet – The Jewel of the Desert!

After a year of learning, we decided as a city to become the master developer of the 61 acres. We have consultants who have designed the property to be compatible with our desert climate, both as far as water sustainability, and to address the heat of our summer’s sun, by placing the streets and potential buildings to be in sync with the sun’s solstice.

We will be putting out requests for proposals for the development of parcels for our urban village, to have lofts and brownstones and stoops built on our paseos and esplanades. Be assured the city will receive the value for the property, which has increased at least two-fold from the day we traded for it.

We are the largest city in North America that does not have a cultural arts center. We have set aside approximately five acres for the development of a world-class symphony hall and we anticipate funding mechanisms for it will be in place by the end of this year.

We are the largest city in North America that does not have an academic medical center, a center of excellence where research, teaching and the clinical will exist side by side. This year we have entered into a partnership with Dr. John Lilley, president of the University of Nevada Reno Medical School. We have commitments from the wonderful department heads at the University of Nevada Medical School to assist us, and Dean Stephen McFarlane from the medical school is anxious for the first buildings to be commenced on the approximately 23 acres we have set aside for this facility, which will fill the need to provide first class medical treatment for our constituents so they will be able to receive the very best in care without having to leave our community. We will continue our discussions with the Cleveland Clinic that is exploring the feasibility of being an additional partner with the city, and should this come to be, lend its prestigious reputation to make us a world-class center overnight.

In this light I would also like to make a major announcement. With our aging population it is incumbent upon us to afford services that will address the needs of those who have made our lives so meaningful and our successes so many. The 501c(3) non-profit “Keep Memory Alive” headed up by Donna and Bobby Baldwin and Camille and Larry Ruvo have committed thus far seven million dollars to building a world-class state-of-the-art Alzheimer's research education and clinical care facility on the 61 acre site in conjunction with the Nevada School of Medicine to be named the Lou Ruvo Alzheimer's Center.

As we forge ahead with these new projects and energy, let us not forget the lead that the city has taken in matters of quality of life such as water, the homeless and affordable housing.

At the insistence of this council, a meaningful dialogue was started concerning exchange of credits for a real saving of water. We have gone beyond the perception of savings into the reality of making a permanent difference.

We have led the way for the issue of homelessness to be addressed on a regional basis. By playing hardball, we have elicited the support of all the governmental agencies in southern Nevada to come to the table. In addition, we have enunciated a policy of meeting the problem of homelessness before it occurs, by emphasizing transitional housing to be afforded, before the street becomes one's alternative.

And finally, we have begun to explore with community leaders, lenders and builders during two symposia held with HUD and the Nehemiah Foundation the concept on inclusionary zoning to provide affordable housing so that new developments can be heterogeneous and not just for the wealthy. With the rising cost of land and building, we do not want to lose what makes neighborhoods great, a feeling of community, with those who have a stake in shaping our well-being having to move away from an area because of prohibitive costs. That way we'll be able to keep teachers, nurses, and public safety folks living on our streets and not have enclaves of detachment from what makes a community or a neighborhood work.

Our plate is full, our appetites insatiable. I thank the citizens who volunteer to lend their assistance and expertise to help us accomplish our mission. I thank our staff for its unwavering support. I thank my council for being diligent and decent. I wish each and every one of you a happy, healthy, prosperous New Year. And God Bless you all.

Respectfully Submitted,  
Oscar B. Goodman  
Mayor  
City of Las Vegas